

For Immediate Release

Contact: Supervisor Joseph A. Rice

414-278-4243; E-mail: Joseph.Rice@milwcnty.com

TAXPAYERS BEWARE: LEGISLATIVE BAIT AND SWITCH IN PROGRESS Promise of Tax Relief Merely a Ruse to Pass Referendum

January 14, 2010...Milwaukee, WI - Milwaukee County Supervisor Joseph Rice today warned taxpayers of state legislative efforts to increase the sales tax in Milwaukee County without providing the property tax relief promised voters in the November 4, 2008 referendum.

Under the provisions of <u>AB 504</u>, passed by the Assembly Ways and Means Committee on January 12th, 2010, Milwaukee County may impose an additional sales tax in the amount of 0.5%, expected to raise an estimated \$60.9 million in 2010 alone. However, according to the <u>fiscal</u> estimate attached to the bill, only \$24.6 million would be provided in property tax relief. **This** results in net new taxes in Milwaukee County of \$36.3 million if the sales tax increase were to go into effect.

The language of the November 4, 2008 referendum that narrowly passed in Milwaukee County expressly promised voters that funds collected from increased sales taxes would go to offset existing property taxes. "Using a semantic sleight of hand to trick voters into expecting tax relief when it will actually raise the tax burden can only serve to increase public cynicism about county government," Supervisor Rice said.

"This type of bait and switch is precisely what those of us who opposed the referendum warned against," said Supervisor Rice. "Despite the promises by sales tax increase advocates of tax relief, AB 504 now exposes the real motivation – to extract more and more dollars from taxpayers."

Rice urged lawmakers in Madison to respect voters in Milwaukee County and to refrain from passing any legislation that would have the result of an increase in net tax collections, especially during a weak economy.